

August 15, 2001

SUBCONTRACTING PLAN FOR SMALL BUSINESS
AND SMALL DISADVANTAGED BUSINESS CONCERNS

PROPOSAL FOR: SOL DAAE20-02-R-0086
Kaydon Bid No. ES00821

ITEMS: 12957130 NSN 1015-01-433-7999 (Kaydon P/N 14121001) 134 pcs.

I. GENERAL

In keeping with Federal Procurement Policies, specifically with Public Law 95-507, it is a policy of Kaydon Corporation:

- (1) To encourage qualified small business, small disadvantaged business, concerns to compete for business within their capabilities; and
- (2) To purchase a fair proportion of required materials, supplies and services from such qualified concerns, provided that such purchases are consistent with Kaydon Corporation purchasing policies and objectives.

II. GOALS

The following are separate percentage goals expressed in terms of percentage of total planned subcontract dollars for small business, Veteran owned small business, HUBZone small business, small disadvantaged businesses and woman owned businesses in accordance with FAR 52.219-9.

- | | | |
|-----------------------------------|---|-------------------|
| (1) | Total estimated cost of prime contract, | \$2,973,192. |
| (2) | Total estimated costs of subcontracts, | \$1,194,690. |
| (3) % allocation to subcontracts: | | |
| (a) | Small business, | \$ 892,792. (74%) |
| (b) | Veteran owned Small Business, | \$ 35,840. (03%) |
| (c) | HUBZone Small Business, | \$ 23,893. (02%) |
| (d) | Small disadvantaged business, | \$ 59,734. (05%) |
| (e) | Woman owned business, | \$ 59,734. (05%) |

ATTACHMENT 001

A. SUPPLIERS AND SERVICES TO BE SUBCONTRACTED

To the extent possible at this time, the following brief description of the principal products and service areas anticipated to be subcontracted and the identification of these areas where it is planned to utilize small business, small disadvantaged business, woman owned businesses, HUBZone business, and veteran owned businesses:

- (1) Subcontracted items and services for this contract include:

	SB	SDB	WOSB	HUB	VOSB
Forgings, tubing, bar stock	X				
Seals	X		x		
Shims	X				
Rollers	X				
Anodizing	X		x	x	
Polish	X				
Separators	X				x

- (2) A portion of the subcontract goal may be met using indirect purchases from small business, small disadvantaged business, woman owned businesses, HUBZone business, and veteran owned businesses. These purchases may include some of the following:

	SB	SDB	WOSB	HUB	VOSB
Janitorial services/ supplies	X	X	X	X	X
Mill supplies	X	X	X	X	X
Shipping services	X	X	X	X	X
Catering services	X	X	X	X	X
Tool room services	X	X	X	X	X
Computer supplies	X	X	X	X	X

Note: The exact combination of ("X's") for chart 2 for this Contract will depend on requirements for these supply/ services that are used during the period this contract is open.

The indirect portion is based on the percentage of work being performed for the organization to which the report is being submitted in relation to other work being performed by the prime contractor/subcontractor.

B. GOAL DEVELOPMENT

The following is the primary method utilized in development of the identified subcontracting goals for small business and small disadvantaged business concerns:

The percentages indicated above were derived from an examination of the list of purchased components on the bill of materials for the contract end items and carefully considering the practical possibilities of order placement for such components with small business concerns and small disadvantaged business concerns at competitive price, delivery and quality. Indirect dollars are also included in goal development and are prorated to percentage of Government purchases.

III. SUBCONTRACTING PLAN ADMINISTRATOR

- A. The individual within our employ who will administer this subcontracting plan is:

Bernice Williams
Purchasing Department
KAYDON CORPORATION

- B. The following is a description of the duties of the Subcontracting Plan Administrator:

- (1) Oversees compliance with the content of this plan.
- (2) Ensures that all subcontracts placed contain the latest provisions regarding small business and small disadvantaged business subcontracting and that the requirements of FAR 52.219-9 as implemented by this plan are being fulfilled by subcontractors.
- (3) Performs periodic audits of subcontractor(s) to measure progress against the plan.

III. SUBCONTRACTING PLAN ADMINISTRATOR**B. (Continued)**

- (4) Submits DD Form SF294 and SF295 as required by FAR 52.219-9.
- (5) Participates in procurement planning and selection of potential sources to assure that small business and small disadvantaged business concerns are offered every opportunity to participate in the program(s).
- (6) Coordinates and participates with the small business administration and DCASR small business utilization specialist to locate capable and qualified firms.
- (7) At a minimum, the following publications are used to search for capable firms:

Disadvantaged Business Directory
Minority Business Enterprises
National Black Manufacturers Directory
Other publications as derived from
SBA/DCASR coordination
Check SBA'S PRONET List & www.sba.gov

- (8) Provides records and reports and fully cooperates in all studies and surveys as may be required by the customer, DCAS or the Small Business Administration.

IV. MANAGEMENT POLICY

Management will make a concerted effort to assure that small business and small disadvantaged concerns will have an equitable opportunity to compete for subcontracts on this program. This effort will include, as a minimum:

- A. Issuance and promulgation of company policies and procedures which implement the requirements of FAR 52.219-9.
- B. Assignment, by name, of specific individuals to carry out the requirements of the policies and procedures.
- C. Periodic review by management of progress made against the goals established by the plan.
- D. Training and motivation of personnel to ensure their complete support of the plan.
- E. Submittal of reports and cooperation in any studies or surveys as may be required by the contracting agency or the SBA in order to determine the extent of compliance with this plan.
- F. Maintenance of accurate and detailed records to demonstrate compliance with the requirements of FAR 52.219-9 and the Subcontracting Plan.
- G. Provision of technical and management assistance to Small Business and Small Disadvantaged Business concerns to assure complete understanding of requirements.
- H. Consideration of items of all available Small Business and Small Disadvantaged Business concerns during the make/buy process.
- I. Discussion of subcontracting opportunities with representatives of Small Business and Small Disadvantaged Business firms that are referred by the cognizant Small Business Utilization Specialist.

V. SUBCONTRACTING POLICY

- A. All subcontracts that offer further subcontracting possibilities will include the clause entitled "Utilization of Small Business & Small Disadvantaged Business Concerns".
- B. Purchase orders in excess of \$500,000 which are issued (except small business concerns) under a Government contract will include the Federal Acquisition Regulation 52.219-9 and will also require the adoption of a plan in consonance with this clause.
- C. Requests for Quotation which are issued in response to a formal Government inquiry will include notification of the foregoing.
- D. Method used for solicitation purposes: A company source list as well as the Disadvantaged Business Directory were used to solicit quotations for the material we will be purchasing.

VI. REQUIRED REPORTS

We will provide such periodic reports and cooperate in studies or surveys as may be required by the contracting agency or the Small Business Administration in order to determine the extent of our compliance with this plan.

VII. RECORDS

The types of records which will be maintained to comply with the requirements and goals set forth in this plan are:

- A. Small and disadvantaged business source lists, guides, and other data identifying small and small disadvantaged business vendors.
- B. Organizations contacted for small and disadvantaged business sources.
- C. On a contract-by-contract basis, records on all subcontract solicitations over \$100,000, indicating on each solicitation (I) whether small business was solicited and if not, why not; (II) whether small disadvantaged business was solicited and if not, why not; and (III) reasons for the failure of responding small businesses to receive the subcontract award.

D. Records to support such effort as:

- (I) Contacts with disadvantaged small business trade associations;
- (II) Contacts with business development organizations; and
- (III) Attendance at small and disadvantaged business, women-owned small business, HUBZone small business and veteran-owned small business procurement conferences and trade fair procurement conferences trade fairs.

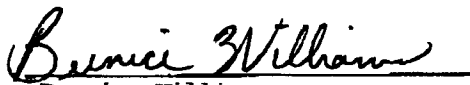
E. Records to support internal activities to guide and encourage buyers such as:

- (I) Workshops, seminars, training programs, etc.; and
- (II) Monitoring activities to evaluate compliance.

F. On a contract-by-contract basis, records to support award data submitted to the Government to include name, address, and size status of subcontractor.

VIII. MISCELLANEOUS

Please be advised that DFARS 219.704(a) regarding Historically Black Colleges and Universities (HBCUs) and Minority Institutions (MIs) is not applicable since all purchased parts are manufactured. There aren't any subcontracting opportunities for HBCUs/MIs present in the bearing manufacturing processes.


Bernice Williams
Small Business Liaison Official
Division Purchasing
Sumter SC